COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APPLICATION OF WESTERN KENTUCKY GAS

COMPANY, A DIVISION OF TEXAS AMERICAN

ENERGY CORPORATION, OWENSBORO,

KENTUCKY FOR A CERTIFICATE AUTHORIZING)

IT TO BID ON FRANCHISE ESTABLISHED AND)

TO BE OFFERED FOR SALE BY THE CITY OF)

CADIZ, TRIGG COUNTY, KENTUCKY

CASE NO. 9202

ORDER

On October 29, 1984, Western Kentucky Gas Company filed with the Commission its Application seeking a certificate of convenience and necessity to qualify it to bid on a natural gas franchise in the city of Cadiz, Kentucky. Under the provisions of KRS 278.020(3), no utility may apply for a franchise from any governmental agency until it has obtained a certificate of convenience and necessity from this Commission based on our finding that there is a need and demand for the service sought to be rendered.

The Commission finds that there is a need and demand for natural gas service in the city of Cadiz, Kentucky. Since the Commission's authority in such matters is limited by statute to finding only whether there is a need and demand for the service sought to be rendered, no finding or determination is made as to the validity of any of the provisions of the franchise offered by said city or the manner in which any franchise fee is to be treated for rate purposes.

IT IS THEREFORE ORDERED that Western Kentucky Gas Company be and it hereby is granted a certificate of convenience and necessity which authorizes it to bid on a natural gas franchise in the city of Cadiz, Kentucky.

IT IS FURTHER ORDERED that Western Kentucky Gas Company, if it becomes the successful bidder, shall file with this Commission copies of the said franchise.

IT IS FURTHER ORDERED that this Order shall not be construed as granting a certificate of convenience and necessity to construct utility facilities in said city.

Done at Frankfort, Kentucky, this 2nd day of November 1984.

PUBLIC SERVICE COMMISSION

Vice Chairma!

Commissioner

ATTEST

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